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LESLIE COAL MINING COMPANY 1100 Superior Avenue

Cleveland, Phio 44114

RECORDATION NO OCT 27 1977-9 95 AM

RECORDATION NO ZZ

INTERSTATE COMMERCE COMMISSION

RECORDATION NO.

CC Washington, D.

OCT 27 1977-9 25 AM

October 27, 1977

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INTERSTATE COMMERCE COMMISSION

9052 INTERSTATE COMMERCE COMMISSION

Secretary Interstate Commerce Commission Washington, D.C. 20423

OCT 27 1977 · 9 95

INTERSTATE COMMERCE COMMISSION

'Dear Sir:

I transmit for recording with the Commission, pursuant to Section: 20c of the Interstate Commerce Act (Act), three executed copies of each of the following documents:

- (a) Lease Agreement (No. 8), dated as of September 30, 1975, between First National Bank of Louisville, as Trustee. Lessor and Leslie Coal Mining Company, Lessee.
- Lease Supplement No. 1 (Lease Agreement No. 8), dated October 27, 1977, between First National Bank of Louisville, as Trustee, and Leslie Coal Mining Company, Lessee. 21
- (c) Assignment of Lease and Agreement (Leslie Coal Mining Company Equipment Trust No. 8), dated as of October 27, 1977, among First National Bank of Louisville, as Owner Trustee, Leslie Coal Mining Company, Lessee and The Chase Manhattan Bank (National Association), as Indenture Trustee.
- Supplemental Indenture and Security Agreement No. 8 (Leslie Coal Mining Company Equipment Trust No. 8), dated as of October 27, 1977, between First National Bank of Louisville, as Owner Trustee, and The Chase Manhattan Bank (National Association), as Indenture Trustee. This document is a supplement to the Trust Indenture and Security Agreement, dated as of September 30, 1975, between First National Bank of Louisville, as Owner Trustees, and The Chase Manhattan Bank (National Association), as Indenture Trustee, previously filed with the Commission, Recordation No. 8182-C, filed January 15, 1976, 8:50 A.M.

It is the intention of Leslie Coal Mining Company (the "Company") to effect such filings with the Commission only to the extent required, if at all, to perfect the security interest created by the above documents in the equipment described below; such recording should not be deemed to

be an admission by the Company that it or any of its operations are under the jurisdiction of the Commission nor does the Company by this recording in any way submit to the jurisdiction of the Commission.

The equipment covered by the above documents includes the following:

<u>Description</u>	Manufacturer	<u>Serial No.</u>	
Supply Car	Huwood-Irwin	<u>-</u>	
Supply Car	Huwood-Irwin	-	
Supply Car	Huwood-Irwin	-	
Supply Locomotive	Greensburg	3409	

The names and addresses of the parties to the transaction are as follows:

Lessee - Leslie Coal Mining Company 1100 Superior Avenue Cleveland, Ohio 44114

Lessor, Trustees, - First National Bank of Louisville First National Tower Louisville, Kentucky 40202

Indenture Trustee - The Chase ManhattanBBank (National Association)
One Chase ManhattandPlaza
New York, New York 10015

There is also enclosed a check for the recordation fee in the amount of \$70.00.

Kindly return totthe bearer one counterpart of each document filed herewith.

Very truly yours,

LESLIE COAL MINING COMPANY

Procident

LEASE SUPPLEMENT NO. 1

OCT 2 7 1977 - 9 85 AM

(Lease Agreement No. 8)

INTERSTATE COMMERCE COMMISSION

LEASE SUPPLEMENT NO. 1 (Lease Agreement No. 8), dated October 27, 1977, between First National Bank of Louisville, a national banking association organized and existing under the laws of the United States of America, as Trustee under the Trust Agreement (No. 8) dated as of September 30, 1975, between Citicorp Lescaman, Inc., a Delaware corporation, and such Trustee (such Trustee in its capacity as such Trustee, being herein called the "Lessor"), and Leslie Coal Mining Company, a Delaware corporation (the "Lessee").

The Lessor and the Lessee have heretofore entered into that certain Lease Agreement (No. 8) dated as of September 30, 1975 (herein called the "Lease" and the defined terms therein being hereinafter used with the same meaning). The Lease provides for the execution and delivery of this Lease Supplement No. 1 in substantially the form hereof (other than paragraph 4 hereof, which is provided for in Section 11(b)(2) of the Lease) on the date hereof. This Lease Supplement No. 1 is a supplement to the Lease and shall be construed as such and not as a separate agreement.

Now, Therefore, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereby agree as follows:

- 1. The Lessee hereby represents, warrants and confirms to the Lessor that each Item of Equipment listed on Schedules 1A, 1B, 1C, and 1D hereto has been unconditionally and irrevocably accepted by the Lessee in Pike County, Kentucky for all purposes of the Lease and each such Item of Equipment either (A) is in good working order and repair and without defect or inherent vice in condition, design, operation or fitness for use, or (B) in the good faith opinion of the Lessee is capable of being put in the state described in clause (A) promptly (in any case within one year) without substantial additional work and expense and the Lessee covenants at its own expense to use its best efforts promptly to put each such Item of Equipment in the state described in clause (A); provided, however, that nothing contained herein or in the Lease shall in any way diminish or otherwise affect any right the Lessee or the Lessor may have with respect to any Item of Equipment against the Manufacturer thereof, or any third person.
- 2. The Lessee represents, warrants and confirms to the Lessor with respect to each item of Equipment listed on Schedules 1A, 1B, 1C and 1D hereof:
 - (i) that such Item of Equipment meets the specifications for an Item of Equipment set forth in Section 2(a) of the Lease;
 - (ii) that such Item of Equipment is accurately described on the applicable Schedule;
 - (iii) that such Item of Equipment falls within the Class of the Schedule on which it is listed;
 - (iv) that the Capitalized Cost of such Item of Equipment has been properly computed in accordance with Section 2(b) of the Lease;
 - (v) that such Item of Equipment has been marked in accordance with Section 6(e) of the Lease if required by such Section;
 - (vi) that such Item of Equipment prior to its acquisition shall not have been put to any use by either the Lessee or any other person, and upon acquisition and use of such Item of Equipment by the Lessor, the original use of such Item of Equipment will be considered to have commenced with the Lessor:
 - (vii) such Item of Equipment constitutes to the Lessor an item of property (A) with respect to which (x) an investment credit of at least 7% is allowable to the Lessor under Section 38 of the Internal Revenue Code of 1954, as amended, for "new section 38 property", within the meaning of Section 48(b) of such Code, and (y) the allowance for depreciation may be computed pursuant to either the double declining balance method, using a rate equal to twice the straight-line rate, or the sum of the years-digits method, as provided in Sections 167(b)(2) and (3) of such Code and (B) which can be depreciated over an asset depreciation period of 8 years pursuant to Revenue Procedure 72-10, 1972-1 Cum. Bull. 721; and

- (viii) the Lessee has delivered to the Lessor an Instrument of Transfer and Acceptance covering such Item of Equipment and such Instrument of Transfer and Acceptance duly vests in the Lessor good and valid title to such Item of Equipment, free and clear of all Liens and rights of others except only Liens and other rights of the types referred to in clauses (i) through (viii) of Section 5(a) of the Lease.
- 3. The Lessor and the Lessee agree that the Capitalized Cost of each Item of Equipment, its Class and its date of delivery under the Lease are as indicated in the respective Schedules annexed hereto.
- 4. Section 11(b)(2) of the Lease provides for adjustments of the Basic Rent, Termination Value and Stipulated Loss Value percentages in the event that the tax benefits available are different from the tax benefits referred to or specified in clauses (i) through (viii) of Section 11(b)(1) of the Lease. Citicorp Leasing, Inc. has recomputed such percentages to reflect the adjustments provided for in such Section 11(b)(2) and the Lessor and the Lessee hereby agree that Schedules I, IIA, IIB, IIC, IID, IIIA, IIIB, IIIC, and IIID to the Lease, respectively, shall be amended effective on and as of the date hereof to read as set forth in the respective Schedules I, IIA, IIB, IIC, IID, IIIA, IIIB, IIIC and IIID attached hereto.

This Lease Supplement No. 1 shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement No. 1 to be duly executed as of the day and year first above written.

[Corporate Seal]

ATTEST:

ssistant Secretary

CORPORATE SEAL

LESLIE COAL MINING COMPANY,

FIRST NATIONAL BANK OF LOUISVILLE,

Vice President and

Lessee

as Trusted by

Bv.....

Vice President

THE RIGHTS OF THE LESSOR IN AND TO THE LEASE, INCLUDING THIS LEASE SUPPLEMENT NO. 1, HAVE BEEN ASSIGNED, MORTGAGED AND PLEDGED TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF, THE INDENTURE TRUSTEE UNDER THE TRUST INDENTURE AND SECURITY AGREEMENT DATED AS OF SEPTEMBER 30, 1975, BETWEEN FIRST NATIONAL BANK OF LOUISVILLE, AS OWNER TRUSTEES, AND THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), AS INDENTURE TRUSTEE, AS SAID TRUST INDENTURE AND SECURITY AGREEMENT MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME AS PERMITTED THEREBY. THIS LEASE SUPPLEMENT NO. 1 HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS OF WHICH THIS IS COUNTERPART NUMBER . SEE SECTION 23 OF THE LEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE HOLDERS OF THE VARIOUS COUNTERPARTS OF THE LEASE AND OF THIS LEASE SUPPLEMENT NO. 1 AND SEE THE DISCLAIMER OF REPRESENTATIONS AND WARRANTIES IN SECTION 2(g) OF THE LEASE.

On this 27th day of October, 1977, before me personally came Dennis W. Wente, to me known, who, being by me duly sworn, did depose and say that he resides at First National Tower, Louisville, Kentucky 40202; that he is a Vice President of First National Bank of Louisville, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

Notary Public

[NOTARIAL SEAL]

My commission expires October 1,1980

STATE OF OHIO
COUNTY OF CUYAHOGA
SS.

On this 27th day of October, 1977, before me personally came L. J. bee, to me known, who, being by me duly sworn, did depose and say that he resides at 1100 Superior Ave., Cleveland, Ohio 44114, that he is Vice President of Leslie Coal Mining Company, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

Notary Public

[NOTARIAL SEAL]

EMERY W. SMITH, Attorney At Law Notary Public - State of Ohio My commission has no expiration date, Section 147.03 R. C.

My commission expires

SCHEDULE 1A to Lease Supplement No. 1

CLASS A ITEMS OF EQUIPMENT

Item <u>No.</u>	Description of Item of Equipment	Manufacturer	Serial No. (or other means of identification)	Date of Delivery (1977)	Capitalized <u>Cost</u>
8A-1	Cable & Couplers #2	Okonite		September 26	\$12,660.00
8A-2	Battery Scoop	Kersey	100-0001	September 30	39,391.00
8A-3	Battery Charger	Kersey	9000-123	September 30	2,784.00
				Total	\$54,835.00



SCHEDULE 1B to Lease Supplement No. 1

CLASS B ITEMS OF EQUIPMENT

Item <u>No.</u>	Description of Item of Equipment	Manufacturer	Serial No. (or other means of identification)	Date of Delivery (1977)	Capitalized Cost
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(There are no Items of Class B Equipment)

SCHEDULE 1C to Lease Supplement No. 1

CLASS C ITEMS OF EQUIPMENT

Item No.	Description of Item of Equipment	Manufacturer	Serial No. (or other means of identification)	Date of Delivery (1977)	Capitalized Cost
8C-1	Mechanics Jeep	Downard Hydraulics	027	August 1	\$17,101.00
8C-2	Mechanics Jeep	Downard Hydraulics	028	August 1	17,100.00
8C-3	Mechanics Jeep	Downard Hydraulics	029	September 26	16,719.00
8C-4	Supply Car	Huwood-Irwin		September 30	7,243.00
8C-5	Supply Car	Huwood-Irwin		September 30	7,244.00
8C-6	Supply Car	Huwood-Irwin		September 30	8,764.00
				Total	\$74,171.00

SCHEDULE 1D to Lease Supplement No. 1

CLASS D ITEMS OF EQUIPMENT

ltem <u>No.</u>	Description of Item of Equipment	Manufacturer	other means of identification)	Date of Delivery (1977)	Capitalized <u>Cost</u>
8D-1	Supply Locomotive	Greensburg	3409	September 30	\$67,727.00
	•		Total		\$67,727.00

SCHEDULE I

TO LEASE AGREEMENT

(No. 8)

- 1. Applicable Quarter: July 1, 1977 to September 30, 1977
- 2. Basic Rent during Original Term:

Class of Equipment	% of Capitalized Cost	No. of Installments
Class B.	4.7050% *	32
Class C	3.2800% 2.3100%	52 92

^{*} There are no Items of Class B Equipment.

SCHEDULE II A

TO LEASE AGREEMENT

(No. 8)

STIPULATED LOSS VALUE

CLASS A EQUIPMENT

Rental Payment Date	% of Capitalized <u>Cost</u>
1	112.694266
2	112.242156
3	111.487998
4	110.201566
5	108.699730
6	106.976308
7	105.125614
8	102.912446
9	100.452224
10	97.737850
11	94.995400
12	92.110148
13	89.017458
14	85.711400
15	82.321142
16	78.848432
17	75.295388
18	71.660386
19	67.961202
20	64.205050
21	60.370050
22	56.454458
23	52.468394
24	48.435199
25	44.324348
26	40.133956
27	35.866307
28	31.561322
29	27.179527
30	22.718890
31	18.173655
32	15.000000

SCHEDULE II B

TO LEASE AGREEMENT

(No. 8)

STIPULATED LOSS VALUE

CLASS B EQUIPMENT

Rental. Payment Date % Of Capitalized Cost

(There are no Items of Class B Equipment)

SCHEDULE II C

TO LEASE AGREEMENT

(No. 8)

STIPULATED LOSS VALUE CLASS C EQUIPMENT

Rental Payment Date	% of Capitalized Cost
1	113.819308
2	
3	
4	
5	115.336604
6	115.398860
7	115.325296
8	
9	114.044552
10	
11	
12	
13	109.650762
14	108.131686
15	106.587758
16	
17	
18	101.076612
19	
20	97.138400
21	
22	
23	
24	
25	
26	
27	81.967888
28	
29	
30	74.902404
31	
32	70.020676
33	67.533016
34	
35	
36	
37	57.263285
38	54.620458
39	
40	49.235414
41	46.504886
42	43.737313
43	
44	38.075367
45	
46	
47	29.305509
48	26.314530
49	23.281088
50	20.203844
51	17.059604
52	15 000000

SCHEDULE II D

TO LEASE AGREEMENT

(No. 8)

STIPULATED LOSS VALUE

CLASS D EQUIPMENT

Rental Payment Date	% of Capitalized Cost	Rental Payment Date	% of Capitalized Cost
1	114.014994	47	93.279926
2	116.211506	48	92.008118
3	118.204822	49	90.722594
4	119.761532	50	89.423004
5	121.213338	51	88.099540
6	122.557628	52	86.773290
7	123.772472	53	85.432306
8	124.492844	54	84.076194
9	125.020798	55	82.694770
	125.351536		
10		56	81.310060
11	125.749816	57	79.909490
12	125.944252	58	78.492630
13	125.977524	59	77.048872
14	125.845632	60	75.601284
15	125.734902	61	74.136598
16	125.426722	62	72.654338
17	124.971808	63	71.143428
18	124.366508	64	69.628098
19	123.770710	65	68.094304
20	123.019602	66	66.541520
21	122.144622	67	64.958157
22	121.233958	68	63.369721
23	120.319066	69	61.761322
24	119.374036	70	60.132374
25	118.398808	71	58.470708
26	117.393066	72	56.803264
27	116.382016	73	55.114197
28	115.352394	74	53.402861
29	114.297808	75	51.656442
30	113.217958	76	49.903474
31	112.131784	77	48.127054
32	111.038708	78	46.326465
33	109.925990	79	44.488177
34	108.793332	80	42.642497
35	107.653394	81	40.771342
36	106.518342	82	38.873919
37	105.369038	83	36.935905
38	104.205202	84	34.989572
39	103.027080	85	33.015529
40	101.853516	86	31.012904
41	100.668010	87	28.866481
42	99.470274	88	26.810726
43	98.251152	89	24.824791
44	97.030130	90	22.707705
45	95.796322	91	20.543279
46	94.549408	92	19.098750
7U	24.J474U0	74	17.070/30

SCHEDULE III A

TO LEASE AGREEMENT

(No. 8)

Termination value CLASS A EQUIPMENT

Rental Payment Date	% of Capitalized <u>Cost</u>
1	100.142534
2	99.618068
3	98.791134
4	97.431508
5	95.856058
6	94.058598
7	92.133438
8	89.845374
9	87.309824
10	84.519688
11	81.701040
12	78.739150
13	75.569382
14	72.185798
15	68.717570
16	65.166442
17	61.534524
18	57.820196
19	54.041229
20	50.204831
21	46.289125
22	42.292362
23	38.224657
24	34.109353
25	29.915918
26	25.642467
27	21.291279
28	16.902273
29	12.435975
30	7.890346
31	3.259628
32	0.000000

SCHEDULE III B

TO LEASE AGREEMENT

(No. 8)

TERMINATION VALUE CLASS B EQUIPMENT

Rental Payment Date % of Capitalized Cost

(There are no Items of Class B Equipment)

SCHEDULE III C

TO LEASE AGREEMENT

(No. 8)

TERMINATION VALUE CLASS C EQUIPMENT

Pay men Dat	t	% of Capitalized <u>Cost</u>
1		101.630694
2		102.655458
3		103.435262
4		103.736846
5		103.887758
6		103.884016
7		103.744072
8		103.146672
ğ		102.329420
1Ó		101.286496
11		100.269358
12		99.059632
13		97.663150
14		96.074970
	***************************************	94.461538
15	•••••••••••••••••••••••••••••••••••••••	92.665126
16		90.730304
17	•••••	88.739470
18		
19	***************************************	86.722654
20		84.658608
21		82.543166
22		80.375510
23		78.178968
24		75.946072
25		73.665564
26		71.336596
27		68.975712
28		66.589404
29		64.159215
30		61.684244
31		59.174181
32		56.649679
33	*	54.084939
34		51.479018
35		48.834652
36		46.186880
37	***************************************	43.502422
38		40.780269
39		38.010015
		35.235196
40		32.423962
41		29.575217
42		
43		26.668335
44		23.749521
45		20.791188
46		17.792121
47		14.730481
48		11.655482
49		8.537536
50		5.375299
51		2.145578
52		0.000000

SCHEDULE III D

TO LEASE AGREEMENT

(No. 8)

TERMINATION VALUE CLASS D EQUIPMENT

Rental Payment Date	% of Capitalized Cost	Rental Payment Date	% of Capitalized Cost
1	102.695292	47	78.534130
2	102.093292	48	77.177318
3	104.820348	49	75.806302
4	108.244936	50	74.420722
5	109.630352	51	73.010776
6	110.907870	52	71.597546
7	112.055558	53	70.169076
	112.708388		68.724978
8 9		54	67.255060
	113.168406	55	65.781345
10	113.430818	56	
11	113.760380	57	64.291258
12	113.885700	58	62.784362
13	113.849460	59	61.250052
14	113.647654	60	59.711889
15	113.466608	61	58.155103
16	113.087702	62	56.580715
17	112.561660	63	54.977147
18	111.884818	64	53.368622
19	111.217068	65	51.741098
20	110.393592	66	50.094044
21	109.445828	67	48.415867
22	108.461960	68	46.732070
23	107.473442	69	45.027761
24	106.454360	70	43.302349
25	105.404656	71	41.543663
26	104.324006	72	39.778641
27	103.237620	73	37.991433
28	102.132222	74	36.181390
29	101.001426	75	34.335695
30	99.844928	76	32.482879
31	98.681664	77	30.606035
32	97.511054	78	28.704443
33	96.320352	79	26.764571
34	95.109262	80	24.816720
35	93.890438	81	22.842805
36	92.676048	82	20.842030
37	91.446950	83	18.800069
38	90.202856	84	16.749188
39	88.944016	85	14.669996
40	87.689266	86	12.561615
41	86.422108	87	10.408827
42	85.142250	88	8.246093
43	83.840530	89	6.052563
44	82.536436	90	3.827261
45	81.219078	91	1.553996
46	79.888132	92	0.000000

This instrument was prepared by the undersigned, Byron K. Burnett, attorney at law, whose address is c/o Dewey, Ballantine, Bushby, Palmer & Wood, 140 Broadway, New York, New York 10005.